



United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, D.C. 20240

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to this rule will be made for purchase card acquisitions, national emergencies, and national security considerations. The reimbursable agreement must contain all the data elements in Attachment A-1.

- The reimbursable order number assigned by the buyer serves as the document control number for the buyer and the seller.
- The buyer and seller must obtain and use Dun & Bradstreet Universal Numbering System numbers as unique business location identifiers.
- The reimbursable agreement must be obligated in IDEAS by the requesting entity (buyer).
- The requesting entity (buyer) must provide electronic or hard copies of the order to administrative or program offices responsible for ordering, acceptance, and payment.
- The responsible billing party or seller will initiate the bill no later than ten days after delivery of the goods and services through Treasury's IPAC system. The IPAC billing document or an email accompanying it must include the data elements in Attachment A-2 or the IPAC will be reversed and returned to the billing party.
- No advance payments for service orders will be made unless explicitly required by law. Progress payments and periodic payments are permissible.
- The cutoff date for initiating new reimbursable agreements for the current fiscal year is midnight on September 25.
- Vendor tables must be reviewed and modified monthly by properly trained bureau personnel to maintain accurate trading partners, attributes, and balances.

In addition to these procedures, designated Bureau and National Business Center financial personnel will meet on a quarterly basis in a workshop setting to resolve outstanding transactions.

Thank you for your continued leadership and commitment to improving financial management and to resolving the intra-governmental material weakness. Questions about this memorandum may be directed to Phil Daniels, at 202-208-5225.

Attachments

ATTACHMENT A

Exchange Transactions

~~Business Rules for Intra-governmental Exchange Transactions~~

1. Federal agencies that acquire goods or services from another federal agency and federal agencies that provide goods or services to another federal agency must obtain and use Dun & Bradstreet Universal Numbering System (DUNS) numbers as unique business location identifiers. Bureaus and Departmental Offices within DOI, as defined in the Departmental Manual, that acquire goods or services from another federal agency or Bureau must obtain and use Dun & Bradstreet Universal Numbering System (DUNS) numbers as unique business location identifiers. The minimum requirement is assignment of the DUNS number at the regional location of each Bureau and at the Assistant Secretary level of the Department.
2. Federal agencies must register their DUNS numbers in the Business Partner Network (BPN) database by January 31, 2003, and must observe the requirements established by the system owner/manager, which is currently the Department of Defense.
3. Federal agencies are responsible for the accuracy of their respective BPN registration data.
4. The business rules and data architecture are effective on January 1, 2003 on a "go forward" basis. Augmentation of existing unfilled intra-governmental orders will not be required.
5. Beginning on October 1, 2003, certain purchases for goods and services that equal or exceed \$100,000 per order or agreement must be transmitted via the intra-governmental electronic commerce portal (portal).
6. The threshold in rule #5 may be raised or lowered at a future date.
7. These rules are effective for all intra-governmental purchases of goods and services. Exceptions to these rules will be made for purchase card acquisitions, for national emergencies, and for national security considerations. Bureau and Departmental Offices heads (or designee) may authorize such exceptions.
8. When the requesting agency (or buyer) determines that a requirement will be fulfilled by another federal agency, the requestor will prepare and transmit an intra-governmental order (order) to the providing agency (or seller). Negotiations between the business partners may take place prior to the preparation of the order, and the seller may prepare the order for the buyer. In addition to the order number, an interagency agreement may be assigned. However, the order number assigned by the buyer will serve as the document control number. The same document control number cannot be assigned to more than one order.
9. To ensure that order fulfillment and revenue can be associated with a specific intra-governmental order, the seller must capture the buyer's intra-governmental order number in the seller's order fulfillment or non-tax revenue system to associate the buyer's order number with any agreement or control number assigned by the seller's system.

10. The order must be authorized/approved in accordance with existing policies before transmittal to the seller. Necessary funding information/citation must be included on the order.
11. An order may, on occasion, contain consolidated or summary information. Additional information, such as a statement of work, occupancy agreements, terms and conditions, specification, etc., may be attached to the order, if desired or necessary for order fulfillment and payment.
12. An obligation must be recorded in the buyer's core financial system prior to transmittal of the authorized order to the seller. If the obligation number is different from the order number, the obligation record must include the intra-governmental order number and any interagency agreement associated with the obligation. An intra-governmental order is deemed accepted when signed by both business partners, upon transmittal to the portal by the buyer, or when the order is issued in response to a quotation or proposal tendered by the seller.
13. When an accepted order is cancelled by the buyer, the seller is authorized to collect costs incurred prior to cancellation of the order plus any termination costs.
14. The standard data elements reflected in Attachment A-1 will be associated with the buyer's order record. The data elements to be transmitted to the seller via the portal will be a subset of these standard data elements and will be defined at a future date.
15. Electronic or hard copies of the order will be provided to administrative or program offices responsible for ordering, acceptance, and payment.
16. Bills must be issued according to the terms reflected in the order but not later than 10 days after delivery of the goods or services provided.
17. The standard data elements reflected at Attachment A-2 will be associated with the seller's billing record. The data elements to be transmitted via the portal will be a subset of the standard data elements and will be defined at a later date.
18. Consistent with voucher audit requirements that will be specified, bills transmitted via the portal will be "examined" for payment. Unless a dispute is initiated by the buyer within 20 business days from the bill date, constructive acceptance will be deemed to occur, and the portal will initiate the IPAC transfer automatically and route the payment transaction to Treasury's IPAC system. Notification of this transaction will be sent to the buyer and the seller.
19. Billings for intra-governmental orders that are not transmitted via the portal will be directly processed through Treasury's IPAC system. Only the responsible billing party may initiate the IPAC transaction. Responsibility for initiating the IPAC transfer may be negotiated between the buyer and seller, and the responsible billing party must be explicitly stated on the order. If no responsible billing party is specified, the seller will be deemed the party responsible for initiating the IPAC transfer.
20. There will be no advance payments for service orders unless explicitly required by law. Progress payments and periodic payments are permissible.
21. Advances will be permitted for orders for goods exceeding \$1,000,000. The advance may not exceed 50% of the order amount.
22. Advance payments made prior to the effective date of these business rules will be subject to the rule requiring status reports.

23. For advance payments that are permitted, the buyer will record the payment as an "advance to." The seller will record the payments as an "advance from" and will provide monthly status reports to the buyer reflecting revenue earned. The buyer and the seller will make appropriate adjustments to their respective advance accounts.
24. The use of budget clearing account F3885 as outlined in OMB Circular A-11 is permitted under these rules. **Transactions must be cleared within 30 days and all transactions must be cleared by the end of the fiscal year.**
25. In addition to the other required elements, an IPAC transaction will include the buyer's order number, the DUNS number for the buyer's site location, the appropriation symbol for payment from (sender), the seller's bill number, the DUNS number for the seller's site location, and the appropriation symbol for collection by (receiver).
26. The buyer and seller are expected to resolve any dispute within 30 business days of the billing date using existing dispute mechanisms (**The DOI Eliminations Team**). If the dispute cannot be resolved using these mechanisms, the matter must be referred on the next business day to the **DOI Financial Management Office (PFM)**. Administrative costs and penalties may be levied on the agencies involved in the dispute referral.
- K* 27. For intra-governmental orders that are not routed through the portal, the cut-off date for issuing new intra-governmental orders for the current fiscal year is midnight on September 25 of that year (in order to allow selling agencies to receive and record customer orders). For orders that are routed through the portal, the cut-off date is midnight on September 30 as measured by the date/time stamp assigned by the portal.
28. The cut-off date for new bills for each fiscal year will be midnight on September 30 as measured by the date/time stamp assigned by the portal. Revenue that is earned but not billed will be recorded as an accrued asset, and a detailed notification of the revenue recognized will be provided by the seller to the buyer within 5 business days after the end of each fiscal year. The buyer will recognize an equivalent expense or asset and will record an accrued liability for the future payment. There will be no intra-governmental, unbilled accounts receivable for the seller at year-end.
29. Selling agencies are required to record an unfilled customer order immediately upon receipt and acceptance of an authorized intra-governmental order.
30. Administrative offices are required to review and correct vendor tables monthly to determine that government "G" and associated trading partners and non-federal "N" indicators are correct by vendor.